

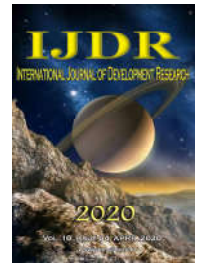


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RESEARCH ARTICLE

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ASSOCIATION BETWEEN PSYCHOLOGICAL CAPITAL AND ORGANIZATIONAL OUTCOME: A STUDY OF UNIVERSITY EMPLOYEES

***Dr. Huma Khan, Faiza Akhtar, Dr. Zia Ullah and Dr. Hina Khan**

56/F Government Central Employees Colony Wahdat road, Pakistan

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*Corresponding author: *Dr. Huma Khan,*

ABSTRACT

Recently acknowledged central constructs, psychological capital that is consist of resilience, optimism, hope, and efficacy; has investigated toward employee attitude, behavioral, and performance outcomes. In this study, positive central constructs of psychological capital have been used to investigate the relationship with task performance of employees and turnover intentions. in the context of private university employees (faculty and non-faculty). This study utilizes cross-sectional data from a private university (N=101) employees; faculty and non-faculty employees, to examine within-individual psychological capital. A survey questionnaire was designed to test the causality of prescribed variables. Correlations and regression were used to refine and analyze independent variable (psychological capital), to their relationship and impact on dependent variables task performance and turnover, and to serve as a framework for future research. The results indicated that employee's Psychological capital is related to task performance and significant relationship found with a turnover.

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INTRODUCTION

At the turn of the 21st century, many researchers acknowledge an imbalance in psychological research. Researchers in the field of psychology have paid much attention to the negative aspects of personal psychology and too little on positive and healthy aspects (Baron, Franklin, & Hmieleski, 2016). Suffering from this problem, research called into, what became known as "positive psychology" (Luthans & Youssef, 2004; Kirrane, Lennon, M O'Connor, & Fu, 2017). According to this wave of research in positive psychology, organizational behavior scientists have adopted models of organization and management to build for each to ensure optimal performance positively. In general, employees who were in the strong mental level and recover after the loss of good jobs; lead to more success in the job task (Gowan, & Lepak 2007, Youssef-Morgan, & Luthans, 2015). Despite the importance of human and social capital have been carefully considered, systematic approach to psychological capital, which will affect how the missing in the process of returning to work factors. Unlike the social and human capital, psychological capital refers to the strength of individuals, perceptions, attitudes towards work and generic overview of life (Luthans, Youssef, et al., 2007).

It has been theorized and experimentally demonstrated to affect human development and optimal functioning (Cai, Lysova, Bossink, Khapova, & Wang, 2019). In the light of Conservation of resource and Broaden and build theory, theory psychological capital is a personal positive source that one have (Luthans, & Youssef-Morgan, 2017). Psychological capital is considered mental condition of a personal, categorized by having confidence to take on and devote the central exertion to prevail at challenging assignments (self-efficacy), second is making a positive attribution (positivism). Third is continuing on toward objectives and, when vital, diverting ways to (hope) so as to succeed; an last is when assailed by issues and difficulty, supporting and skipping back and even past (resilience) to accomplish success. (Luthans et al. 2015; Carmona-Halty, Salanova, Llorens, & Schaufeli, 2018). Positive psychological facilitates behavior and positive health outcomes, it is argued Psychological capital, the expression of positive psychological well have played an important role, as well as social and human capital to facilitate the tasks and the rate of staff turnover (Jensen & Luthans, 2006; Aryee, Walumbwa, Seidu, & Otaye, 2016) Acknowledging the concept of psychological capital as an established construct to assess the individual's positive

psychological state, which is characterized by confidence, hope, optimism, and resilience along with an impact on task performance, and turnover, which uplifts the person towards greater vision and higher aspirations can form the core of the present study. The will to thrive and progress in the organizations and taking care and responsibility of each individual member/follower of the group goes hand in hand with the commitment required to achieve goals (Wang, Wang, & Xia, 2018). The present study seems to look very apt as the psychological capital aspect is yet untapped and the study is looking to explore how psychological capital can be built in an individual. In light of the pattern toward an increasingly unique accommodation business condition and quick changes in market needs (Chiang & Hsieh, 2012), we have perceived that employees creativity and advancement are key source to convey prevalent administration quality and fulfill the clients' different needs (Wu, & Chen, 2018)

Research Gap: However, there has been a rarity of quality research in Pakistan, looking at factors that might influence the association among the psychological capital with task performance and turnover. The current study, determine the positive states of a person and with their task performance and turnover. Although there have been positive results and some preliminary studies in individual states, but there has been no research in Pakistan to discovery, overall affect positive psychological capital in university employees. However, this study based on the relationship between psychological capital towards the performance of employee and turnover.

Problem statement: As mentioned in the preceding sections, research suggests that organizational behavior can be improved through the positive psychological capital of a person. Further to this, positive psychological capital of employee has shown to increase persons' performance. Finally, Psychological capital is positively linked to organizational citizenship behavior. If this is the case, as shown is separate research studies, the relationships between these constructs should be assessed with task performance and turnover thus the problem statement is: "What is the relationship between Psychological capital towards task performance and withdrawal of employees?"

Purpose of the study: Current study inspects an association of four resources/types of psychological capital in improving the task performance of the worker and decreases the withdrawal of the workers. The reason of this study, the sources of traditional knowledge, such as capital investment, human source, how these sources contribute for competitive advantage? It has paid particular attention to the progressively acknowledgesocial capital, human capital and recently proposed positive psychological capital.

Objectives

The prime objective of thestudy is to examine the association of positive psychological capital and organizational outcomes.

- Specifically, it is the positive psychological capital, in turn, can lead to an increase in the level of job satisfaction, attempt to verify whether to improve the work performance of the organization and reduce turnover rate.
- This study also aims to increase understanding of psychological capital are developable and open to change.

Research Question

Thus, foremost research questions for this study are the following:

Q1. What is the relationship of positive psychological capital (optimism, hope, self-efficacy and resiliency) of employees towards task performance and employee withdrawal rate?

Psychological capital is actually open to development, this study also refers to a study to determine the spectacle of positive psychological capital, and development must be integrated into the programs and organizations of human resources and performance management development.

Literature review

Luthans affirms the need for a review of positive organizational behavior (Luthans, 2002; Avey, Luthans, & Jensen, 2009), support in the popular self-help publications for practicing managers, and based on the theory looks for solutions in real-world problems in motion. Measurable and manageable nature of this capacity is important for the development o the relevant exchange; focusing on aspects that can be determined, POB directly aligns with business needs and have a clear mandate to develop tools. Based on the broaden theory positive briefly "expand" individuals' consideration and contemplations, enabling them to get to a more extensive scope of thoughts. Thusly, and as indicated by the second speculation, these widened standpoints help individuals to find and " build " critical individual assets (Carmona-Halty, Salanova, Llorens, & Schaufeli, 2019). Psychological capital is considered moderately pliant and open to advancement (state-like), in particular, it isn't static and is increasingly open to change in containing positive assets and to improvement through transient mediation. Psychological capital effect has essentially been tried in connection to prosperity with management, production and satisfaction, and at the organization dimension among employees (Liran, & Miller, 2019).

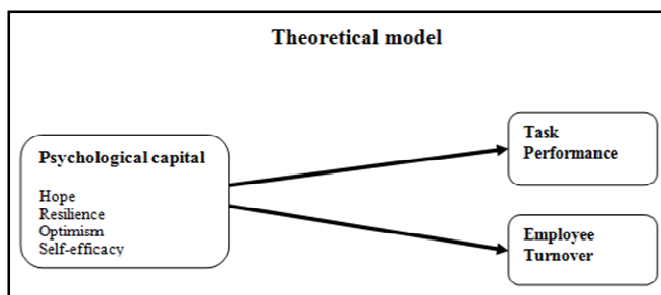
Psychological Capital: Psychological capital, alludes to a people's certain mental condition of advancement and includes confidence, resilience, optimism and hope (Luthans & Youssef, 2004). In this manner, we draw work, which recommends that logical assets may encourage constructive results among employees by helping them to get individual mental assets (Ten Brummelhuis, Oerlemans, & Bakker, 2016). These features are open for development, can be controlled because they are not fixed or conditioned, and can be measured by them (Luthans, Luthans&Luthans, 2004; Baron, Franklin, & Hmieleski, 2016). These features result in positive attitudes theories, such as job performance and problem solving; individually can analyze the properties that have a commitment to the organization (Luthans, Avolio, Walumbwa, & Li, 2005).

Resilience: In psychological capital, resilience is the "failure and adversity has the ability to get rid of the positive changes that seem insurmountable as increased responsibility" is defined as resilience" (Luthan *et al.*, 2004; Woods, 2017). This system is a system that allows the person to jump back or restore the failure or retreat quickly, affirmative action in clinical psychology that persons who have flexibility are more

effective in many aspects such as fight and control against the threat faced in their lives (Rego, Sousa, & Marques, 2012).

Optimism: Optimism is characterized as Illustrative style that ascribes positive occasions to convincing, internal and permanent cause, and negative cases to outside, impermanent and circumstance explicit one, (Luthans & Youssef, 2004b; Hilary, Hsu, Segal, & Wang, 2016). Other researchers, leading to a high performance that optimist people are to be reported that more favorable (Luthans *et al.*, 2004; Tenney, Logg, & Moore, 2015).

Self-Efficacy: It is about an individual's feeling, their capacities to activate the subjective assets, inspiration, and game-plans that are required so as to execute a particular assignment effectively inside of a particular connection (Maddux, 2016). As indicate by this definition, Self-efficacy identifies with the culmination of a particular undertaking and have connection particular, to the degree that a representative may have a high feeling of self-viability about taking care of a specific issue (Honick, & Broadbent, 2016).



Hope: Hope defined as a positive inspirational express that depends on an intuitively inferred feeling of effective, first is organization (objective coordinated vitality) and second is pathway (intending to meet objectives) (Snyder, Rand, & Sigmon, 2002). Clinical psychology and Positive psychology looked around and hope the exercises and academic success in recent years have also been linked with the job performance (Luthans, Youssef, & Avolio, 2015).

Psychological Capital with Task Performance and Turnover: In general, especially in the behavioral sciences, the field of health psychology, in the workplace that affects success in many areas, and the importance of both physical and mental health, especially in the place of work, which focused on life (Mathe, Scott-Halsell, Kim, & Krawczyk, 2017). Mainly is it distinguish from the human capital that what individual knows and in terms of financial capital what individual possess and what he/she may become (Bouckenoghe, Zafar, & Raja, 2015; Luthans *et al.*, 2007a). Various researchers have investigated between Psychological Capital and performance; it investigates a remarkable positive correlation between Psychological Capital and performance (Luthans, & Youssef-Morgan, 2017). The combining effect of four buildings Psychological Capital means that a person must work optimally when the construction is carry out in accordance with the other building (Paek, Schuckert, Kim, & Lee, 2015). Those employees who possess hope; uses the possibilities of planning expect obstacles to achieving their work and quickly recognize numerous paths for the achievement of particular objectives (Snyder, *et al.*, 2002) and those who possess positive psychological capital they less likely to withdraw (Baron, Franklin, & Hmieleski, 2016).

Psychological Capital each component improves the condition of the person positively and believes to be able to run for the success of the organization and employees (Anglin, Short, Drover, Stevenson, McKenny, & Allison, 2018). The results of the study of Luthans's and colleagues, in addition to the fact that the level of psychological capital employees who have contributed to performance to support cultures, it is important to recognize that it may play an important role in suggesting organizational behavior (Luthans, *et al.*, 2008; Gørgens-Ekermans & Herbert, 2013). This study aims to determine the capital and obligations of the organization, which is not, considered satisfying the variables and the dependent variables in terms of facilitating the psychological work. Furthermore the provision of enabling environment not only have a positive impact for the individuals in the organization but also reduce the turnover in the organization, From the above-discussed literature this study comes up with two hypotheses that are given below:

Hypothesis 1: Psychological Capital has positive association with on task performance.

Hypothesis 2: Psychological Capital has negative association with employee turnover intention.

METHODOLOGY

The study uses a sample of 101 faculty and non-faculty members of different universities in order to test hypotheses. From sample 66.33% respondent were faculty member and 33.66 respondents were non-faculty member. 320 questionnaire were circulated and respondents returned 132. 31.56% was the response rate after discarding questionnaire, which were filled by carelessness.

Procedure: Current study prompt to test the psychological capital and organizational outcomes in private universities in Lahore. This cross sectional study conducted through quantitative approach to test hypothesis. Data was collected through close-ended questionnaire. Stratified sampling strategy was used to collect data for greater accuracy. Population was divided into two strata, faculty and non faculty staff. Strata A: Faculty (Professor, associate professor, assistant professor and lecturer) strata B: Non Faculty (Managerial level, supporting staff).

Measures: Combined 12 item scaled was used for psychological capital by Luthans's scale on five-likert scale. (Luthans, Bruce, Avolio & Avey). (R = .870)

03-item scale by Vigoda (2000) was used to measure turnover intention on five-likert scale. (R = .810)

09 item scales by Williams and Anderson's (1991) was used to measure task performance on five Likert scale. (R = .777)

Correlation analysis: After the correlation analysis, study concluded the association between variables, like wise $r = .689$, $p < 0.01$, between task performance and psychological capital. Moreover study was predicting negative relationship between turnover intention and psychological capital, results are $r = -.219$, $p < 0.05$.

Regression Analysis: Table 2 Demonstrate the regression analysis Regression. Regression analysis express the variance of dependent variables by independent variable.

Table 1. Shows Correlation, Mean and Standard Deviation

Variable	mean	SD	1	2	3	4	5	6	7	8
1 Gender	.57	.497	1							
2 Age	31.30	7.457	.221*	1						
3 designation	3.14	1.281	-.142	-.755**	1					
4 experience	6.61	5.251	.139	.896**	-.654**	1				
5 qualification	4.07	.711	.198*	.585**	-.747**	.483**	1			
6 Psychological capital	4.09	.534	-.022	.267**	-.219	.171	.173	1		
7 Task performance	4.168	.450	-.064	.237*	-.185	.182	.175	.689**	1	
8 turnover	2.59	.825	.139	-.146	.072	-.200*	-.094	-.219*	-.027	1

Note: * represents significance as less than 0.01

Table 4. Regression Analysis for Task Performance and Turnover

Predictors	Task performance			Turnover		
	B	R ²	Change in R ²	β	R ²	Change in R ²
Model:1						
Main effect						
Step 1						
Control variables						
Gender	.002	.000	.000	.049	.002	.002
Age	.261	.068	.068	.056	.003	.001
Designation	.262	.069	.001	.088	.008	.005
Experience	.279	.078	.009	-.143	.020	.013
Qualification	.283	.080	.002	.151	.023	.002
Step 2						
Psychological capital	.684***	.417	.332	-.219*	.314	.291

H1 undertakes that psychological capital positively influence task performance, after regression task performance on psychological capital; result reveals that task performance ($\beta = .689^{**}$, $p < .001$) is positively connected to psychological capital. 33.2% variance was determined by psychological capital in employee task performance, after the control of demographic variable, before controlling variance was 41.7%. In H2 study undertakes that psychological capital influence turnover intention, study regressed turnover intention on psychological capital and answers showed that turnover intention ($\beta = -.219$, $p < .05$) is negatively connected to psychological capital; and significance value is also less than 5%. Thus, study accepts H2 that psychological capital negatively related to turnover intention. 29.1% variance was determined by psychological capital in turnover intention, after the control of demographic variable, before controlling variance was 31.4%.

DISCUSSION

The motive of the study is to investigate the positive relationship out of the psychological capital. This framework is the story of situational factors and individual differences and taking into account by incorporating a positive (task performance) and negative (employee turnover) balance of action and attitude. Overall, in this study, we found support for the hypothesis. Predictions are supported which were demonstrating psychological capital and task performance or workload are likely to yield that is compatible with high-performance of employee thus we may say due to psychological capital task performance is improved. Another important contribution of this study is to try to identify the model in perspective in the university employee.

Conclusion

The prime motive of the study was to investigate the relationship between psychological capital with task performance and turnover intention; as capital is measured in

connection with the performance of tasks and can reduce employee turnover. The benefits arising from this study is that organization and staff to provide a good climate of positive development to develop positive psychological capital, which is an example of the new thinking will show "flat world", environment facing today's organizations and their managers.

Limitation and Future study direction

A first potential limitation is the generalizability and sample size is small so it cannot be generalized. As this study data is cross sectional, this could be a major limitation as this limitation creates barrier for causality in relationship. For further research, the psychological theory of resource, generally take into account the personal and social aspects in the context of an overall global assessment of the presence or absence of individual resources. Despite this initial assessment of the relationship between the positive resources as a psychological capital is important for our understanding of the impact on the well-being, there is a need to integrate future research and social resources (eg, social support, a close friend or group membership) to check the contribution of resource group or completely beyond the individual resources. Finally, for the relationship between capital and psychological performance, future work should take into account the boundary conditions of these relations. Psychological capital in addition to previous research, which showed that she is a mediator and the support for climate performance (Luthans, Norman, Avolio, & Avey, 2008), a recent study has been explored the role of climate as a moderator in the context of psychological capital.

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